

MCS section will answer questions related to the IFTA return, but cannot prepare tax returns for licensees.

A quarterly fuel use tax return must be filed even if the licensee does not operate or purchase taxable fuel in any IFTA member jurisdiction in a given quarter. Failure to file a quarterly return will result in applicable penalties and interest being applied.

The due date for the quarterly fuel use tax return is the last day of the month immediately following the close of the quarter for which the return is being filed. These dates are as follows:

Reporting Quarter	Due Date
1st (January, February, March)	April 30
2nd (April, May, June)	July 31
3rd (July, August, September)	October 31
4th (October, November, December)	January 31

If mailed, the quarterly fuel use tax return must be postmarked or hand delivered to the MCS Section by the due date. If the due date is a Saturday, Sunday, or State holiday, the next business day is considered the final filing date. The licensee will be subject to IFTA penalty and interest provisions if the return is not filed in a timely manner.

PENALTY AND INTEREST PROVISIONS

When a licensee fails to file a return, files a late return, or fails to remit any or all tax due, the licensee is subject to penalty and interest. The penalty is the greater of fifty dollars (\$50.00) or ten percent (10%) of the net tax due to all member jurisdictions. Interest is computed on all delinquent taxes due each jurisdiction at a rate of one percent (1%) per month. The Department will assess interest for a full month.

IFTA REFUNDS/CREDITS

A refund may be claimed on the IFTA quarterly fuel use tax return for any overpayment of tax in a reporting period by completing Line 11 of the IFTA-100. A written request for the refund may also be submitted. A refund will be issued once the Department determines that all tax liabilities, including any outstanding audit assessments, have been satisfied to all member jurisdictions. A refund may be denied if the licensee is delinquent in filing any quarterly fuel use tax return.

Refunds will not be processed until accumulated credits total more than \$10.00. If a refund is not requested, the credit will be carried forward to the next period. Earned IFTA credits will expire after eight quarters. It is the responsibility of each licensee to monitor the credits printed on the quarterly fuel use tax return. No notification of expiring credits will be sent to the licensee.

If the licensee feels that the credit is incorrect, please contact the MCS Section to determine the proper credit due. The licensee will be responsible for all taxes, penalty, and interest due resulting from the improper use of a credit.

MEASUREMENT CONVERSION TABLE

Alabama based IFTA licensees are required to report based upon United States measurements. If applicable, the conversion rates are:

1 liter = .2642 gallons
1 kilometer = .62137 miles

All numbers must be rounded to the nearest whole gallon or mile.

EXEMPT FUEL USE

Alabama does not allow an exemption for off-loading purposes. IFTA recognizes that some jurisdictions allow exemptions for fuel used for off-loading purposes. However, this exemption is not calculated on the IFTA return. Any refund for exempt fuel must be requested from the jurisdiction in which the tax was paid. The licensee must maintain adequate records to support the exemption claimed. Please refer to the IFTA website at www.iftach.org for fuel exemptions in each IFTA jurisdiction.

TAX EXEMPT MILES

IFTA recognizes that some jurisdictions have unique economic and geographic characteristics, which have given rise to various definitions of tax exempt miles. If you have questions concerning tax exempt miles, please contact the individual member jurisdictions. All jurisdictions require supporting documentation (i.e., trip permits) for all claims of tax exempt miles. Please refer to the IFTA website at www.iftach.org for mileage exemptions in each IFTA jurisdiction.

SHORT TERM LEASES

For motor vehicle leases of 29 days or less where the lessor is regularly engaged in the business of leasing, or renting motor vehicles without drivers, for compensation to licensees or other lessees, the lessor will be responsible for reporting and paying the fuel use tax unless the following two conditions are met:

1. The lessor has a written rental contract, which designates the lessee as the party responsible for reporting and paying the fuel use tax; and
2. The lessor has a copy of the lessee's IFTA fuel tax license, which is valid for the term of the rental.

LONG TERM LEASES

For motor vehicle leases of 30 days or more where the lessor is regularly engaged in the business of leasing, or renting motor vehicles without drivers for compensation to licensees or other lessees, the lessor may be deemed to be the licensee, and the lessor may be issued a license if an application has been properly filed and approved by the base jurisdiction.